52(5)

YUVARAJA SRIKANTA DATTA

NARASIMHARAJA WADIYAR TRUST.

Subject:- Note on the proposal to transfer the shares and buildings held by His Highness to this Trust in lieu of Government Securities.

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JEWELS

The Palace jewels could be brought within the scope of the following categories for purposes of examination regarding the application of Wealth Tax.

		Approximate Valuation
1. The State Throne (Simhasana) and the State Sword (about 12000 tolas gold)		12,45,000
2. Jewels used for decorating the throne during Dasara		2,36,000
3. Jewels used by His Highness during Dasara		9,28,000
4. Pandan Set		80,400
5. Ambari with its Kalasams (about 6000 tolas gold)		3,25,000
6. The Mukha Pattas of the State Horse and the State Elephant		4,000
7. Jewels issued for the decoration of the Temple and other deities:		
a) Sri Chamundeswari Temple		1,76,000
b) Sri Amal Devata Ammanavaru (~~about 6000 tolas gold~~)		3,600
c) Mudies		4,60,000
8. Other Jewels -		
a) Jewels purchased subsequent to 1950 from time to time		2,75,000
b) Jewels in - His Highness's Box	6,00,000	
" H.H. the Yuvarani's Box	4,00,000	
" H.H. the Maharani's Box	2,00,000	
	----------	12,00,000

Jewels retained for presentation have been omitted in the above categories.

The first factor to be considered is what categories of jewels could be considered as heir looms.

Whether the following could be brought under heir looms is for consideration:

(i) State Throne with its four Kalasams and the Uma Bird and the State Sword	Rs.12,45,000
(ii) The Ambari with its Kalasams	Rs. 3,25,000

	Rs.15,70,000

The probable additional tax that would be charged if these are treated as personal jewels would be about Rs.23,500/- per annum at 1½%.

Jewels used for decorating the throne, jewels ~~worn~~ worn by His Highness during Dasara, the Pandan Set could be owned as personal jewels and the tax paid on them. On the basis of the valuation now adopted the tax may come to about Rs.18,700/- per annum.

2,36,000
9,28,000
80,400

12,44,400

Regarding other jewels, those purchased subsequent to 1950 valued at about Rs.2,75,000 could be included for assessment.

Jewels issued for the decoration of the deities may be treated as heir-looms and held in stock for issuing them in accordance with the tradition.

Jewels in the boxes may be got included in the category of jewels used during Dasara and the personal jewels.

The Palace holds no bullions in bars of gold and silver. There are gold and silver utensils and other articles that could be treated as works of art. If all gold and silver vessels could be brought under household utensils exempted from tax as the Wealth Tax act does not indicate that utensils should be of metals other than gold and silver, there will be no necessity to enter into valuation of these articles.

(The approximate value would come to about Rs.6,00,000/-

Gold 10,000 tolas about 5,00,000 at Rs.50/- per tola

Silver 72,000tolas about Rs.1,08,000 at Rs.150 per 100 tolas)

The following items require to be brought under works of art exempted from tax as there is no mention that works of art should not be of valuable metals:

1. Caskets
2. Silver chairs and sofas and foot stools
3. Bhadrasana
4. Hasemane
5. Silver Chowkies and cots
6. The silver Ratha in the Stables
7. The gold gilted Palanquin

Though it is stated that market values have to be adopted for purposes of assessment, there are no standard values with reference to which the valuation of jewels could be made.

Perhaps market value may be available for gold used in the

the jewel and the diamonds 3 " ಕಲ್ಲುಗಳು ". But even these depend upon the purity of the materials used. The value of gold depends upon the quantity of copper used as an alloy. The value of diamonds depend upon the nature of cut - whether old cut, medium cut - a latest new cut and also on the nature of brightness,- bluish white yellow or white. The cost of other precious stones is highly fluctuative.

Thus the value of jewels is of speculative nature depending upon their demand in the market. In view of the various taxes now levied the tendency is that the values go down and that no standard value could be fixed for them.

As properties transferred to several Trusts are assessable individually and separately under Wealth Tax, It may be examined whether the value of some items of jewels could be separately shown under each of them.

VALUATION STATEMENT.

1. Simhasana with Kalashams & the State Sword	.. Rs	12,45,000
2. Jewels used for decorating the Simahasana during Durbars	.. Rs	2,36,000
3. Jewels of His Highness used during Dasara	.. Rs	9,28,000
4. Pandan Set	.. Rs	80,400
5. Ambari with its Kalashams	.. Rs	3,25,000
6. Jewels purchased from time to time ..	.. Rs	2,75,000

7. Jewels issued for the decoration of Deities:

a) Sri Chamundeswari of Chamundy Hills..	Rs	1,76,000
b) Sri Amal Devatha Ammanavaru.. ..	Rs	3,600
c) State Horse & Elephant	Rs	4,000
d) Mudies	Rs	4,60,000

Cost of Jewels in

1. His Highness's Box ..	Rs	6,00,000
2. Her Highness the Yuvarani's Boxes	Rs	4,00,000
3. Her Highness the Maharanis Box	Rs	2,00,000